VL e-Governance & IT Solutions Limited

Vakrangee Corporate House, Plot No. 93, Road No. 16,
Near MIDC - Andheri Metro Station, MIDC, Marol,
Andheri (E), Mumbai - 400093, Maharashtra • INDIA
022 67765100 I info@vlegovernance.in
www.vlegovernance.in | CIN: L74110MH2016PLC274618

VLEG/C&L/2026-27/14

12th August, 2026

To,

BSE Limited, Department of Corporate Relationship Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001 **BSE Scrip Code: 543958**	**National Stock Exchange of India Limited,** Department of Corporate Relationship Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 **NSE Symbol: VLEGOV**

Sub: Monitoring Agency Report under Regulation 32 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India ("**SEBI**") (**Listing Obligations and Disclosure Requirements**) Regulations, 2015 ("**Listing Regulations**") read with Regulation 173A of SEBI (**Issue of Capital and Disclosure Requirements**) Regulations, 2018, we have enclosed herewith Monitoring Agency Report for the quarter ended 30th June, 2026, issued by Care Ratings Limited ("**Monitoring Agency**"), in respect of the utilization of proceeds raised through Preferential Issue by the Company.

We hereby request you to take the above information on record.

Thanking You,
Yours Sincerely,
For VL E- Governance & IT Solutions Limited

Parth
Hitesh
Solanki

Digitally signed by Parth Hitesh Solanki
DN: c=IN, o=Personal, postalCode=401105, l=Thane, st=Maharashtra, street=304, Paresh Co.op.Housing Society Limited , Bhayandar East, Maharashtra India 401105 Near Apna Bazar, title=6728, 2.5.4.20=63b78b07bb748a808014d1b3d6cee261873ba82f584c68276fa070a5e47be034, serialNumber=c6e5f9c3120751e8146913e4ddaa47faf61a2b73c35155f888325cfac2e81600, email=parth.solanki@vlegovernance.in, cn=Parth Hitesh Solanki
Date: 2026.08.12 15:34:31 +05'30'

Parth Solanki
Company Secretary

Encl.: As above

No. CARE/HO/GEN/2026-27/1140

The Board of Directors
VL E-Governance & IT Solutions Limited
Plot No. 93, Vakrangee Corporate House,
Road No. 16, MIDC Marol,
Andheri (East), Mumbai,
Maharashtra, 400093

August 12, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended June 30, 2026 - in relation to the Preferential Issue of VL E-Governance & IT Solutions Limited ("the Company")

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to ₹400.99 crore of the company and refer to our duties cast under Regulation 162A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended June 30, 2026 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated February 25, 2024.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully

Ashish A Kambli
Associate Director
Ashish.K@careedge.in

Report of the Monitoring Agency
Name of the issuer: VL E-Governance & IT Solutions Limited
For quarter ended: June 30, 2026.
Name of the Monitoring Agency: CARE Ratings Limited
(a) Deviation from the objects: NIL
(b) Range of Deviation: NIL

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have a credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature: Kambli
Name of the Authorized Signatory: Ashish A Kambli
Designation of Authorized person/Signing Authority: Associate Director

1) **Issuer Details:**

Name of issuer : VL E-Governance & IT Solutions Limited
Name of the promoter : Vakrangee Holdings Private Limited; NJD Capital Private Limited; Dinesh Nandwana; Dinesh Nandwana HUF
Industry/sector to which it belongs : IT - Software

2) **Issue Details**

Issue Period : 18 months from date of allotment
Type of issue (public/rights) : Share warrants issued to Non-Promoter Category
Type of specified securities : Warrants convertible into equity shares
IPO Grading, if any : Not applicable
Issue size (in crore) : ₹ 630 crore (Note 1)

Note 1:

The company offered 8,40,00,000 fully convertible share warrants, each convertible into 1 (One) Equity Share of face value of ₹10/- (Rupees ten Only) to the Non-Promoter group, on preferential basis, in one or more tranches, at an issue price of ₹75/- (Rupees Seventy-five Only) each, for an aggregate amount of up to ₹630 crore. Out of which subscription amount (25% of ₹75) was received for 5,34,65,600 share warrants aggregating amount to ₹400.99 crore leading to undersubscription of the issue. Further, the company issued 25,00,000 equity shares to the two non-promoter investors who had also paid the balance 75% of the amount for conversion of warrants into equity shares aggregating to ₹14.06 crore.

3) **Details of the arrangement made to ensure the monitoring of the issue proceeds:**

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	No	Chartered Accountant certificate*, Bank statements and Supporting invoices, Board Resolution$	There is delay in utilization of funds as compared to timeline as per letter of offer for one tranche of ₹5.01 crore (to be utilized with 12 months of receipt of funds i.e. by January 15, 2026) of which ₹1.59 crore is still to be utilized as on June 30, 2026. The company has taken extension approval for the utilization of net proceeds till January 16, 2027, through a board resolution dated February 07, 2026. The funds have been utilized in line with the objects during the quarter.	No comments received
Whether shareholder approval has been obtained in case of material deviations#	Not applicable	Not applicable	Not applicable	No comments received

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
from expenditures disclosed in the Offer Document?				
Whether the means of finance for the disclosed objects of the issue have changed?	Yes	Chartered Accountant certificate*, Management Confirmation and Board Resolution @	The issue size has reduced from ₹630.00 crore to ₹400.99 crore due to undersubscription. Board approval for revision in cost of objects has been received on March 19, 2025.	No comments received
Is there any major deviation observed over the earlier monitoring agency reports?	No	Previous Monitoring Agency Report	Not Applicable	No comments received
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Chartered Accountant certificate*, Management Confirmation	No comments	No comments received
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Chartered Accountant certificate*, Management Confirmation	No comments	No comments received
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Yes	Stock Exchange Website	Undersubscription in the issue may affect the viability of the objects. 71.32% of subscribed warrant amount is yet to be received as on June 30, 2026. Considering share price being significantly below the exercise price, the non-receipt of remaining subscription could impact the viability of the object. The last date of conversion is July 15, 2026.	No comments received
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Financials of the company, Announcements on the exchange, Chartered Accountant Certificate*	**Share price volatility:** The share price has been volatile and declined 86% since the preferential issue announcement. The share price stood at ₹12.05 on July 15, 2026, which is significantly lower than the warrant exercise price of ₹75. **Shareholding Pattern:** Promoter's holding decreased from 33.16% (pre-preferential issue) to 23.24% (June 30, 2026), with a post-warrant conversion expected to fall to 15.81%. **Loss making company:** The company has reported net loss of ₹1.13 crore against revenue of ₹17.15 crore in FY26.	No comments received

**Chartered Accountant certificate from B K G & Associates dated July 27, 2026.*
@Board Resolution dated March 19, 2025

$Board Resolution dated February 07, 2026
#Where material deviation may be defined to mean:
a) Deviation in the objects or purposes for which the funds have been raised
b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

4) **Details of objects to be monitored:**

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in ₹ Crore	Revised Cost in ₹ Crore&	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of firm arrangements made
1	Execution of Large-scale e-Governance projects	As per Notice of Postal Ballot^, Management Confirmation, Board Resolution for revision in cost of objects& and Chartered Accountant Certificate*	50.00	30.00	Undersubscription by the allottees and cost allocation between the cost of objects has been revised via board resolution dated March 19, 2025.	No comments received	No comments received	No comments received
2	Expansion of business		100.00	50.00				
3	Repayment of Unsecured Loans/Creditors		70.00	70.00				
4	Strategic Investment		150.00	75.00				
5	Working Capital for existing & new projects		103.00	75.99				
6	General Corporate Purpose		157.00	100.00				
	TOTAL		**630.00**	**400.99**				

*^ Sourced from page 18 of the postal ballot notice, *Chartered Accountant certificate* from B K G & Associates *dated July 27, 2026.*
&Revision in the cost of object is approved as per the board resolution dated March 19, 2025.

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Revised cost in ₹ Crore#	Total amount raised till Q1FY27 in ₹ Crore	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
						As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore			Reasons for idle funds	Proposed course of action
1	Execution of Large-scale e-Governance projects	As per Postal Ballot Notice, Management Confirmation and CA Certificate*	50.00	30.00	114.31	0.00	0.00	0.00	1.59	Nil utilization during the quarter	No comments received	No comments received

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Revised cost in ₹ Crore#	Total amount raised till Q1FY27 in ₹ Crore	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
						As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore			Reasons for idle funds	Proposed course of action
2	Expansion of business	As per Postal Ballot Notice, Agreement with the counter party Management Confirmation and CA Certificate*	100.00	50.00		40.00	0.00	40.00		Nil utilization during the quarter	No comments received	No comments received
3	Strategic Investment	As per Postal Ballot Notice, Management Confirmation and CA Certificate*	150.00	75.00		0.00	0.00	0.00		Nil utilization during the quarter	No comments received	No comments received
4	Working Capital for existing & new projects	As per Postal Ballot Notice, Management Confirmation and CA Certificate*	103.00	75.99		0.99	0.65	1.64		Payment made towards general operating expenses of the company including professional fees, bank charges, salaries, etc	No comments received	No comments received
5	Repayment of Unsecured Loans/ Creditors	Bank Statement, Management Confirmation and CA Certificate*	70.00	70.00		67.21	0.00	67.21		Nil utilization during the quarter	No comments received	No comments received
6	General Corporate Purpose	Invoices and Challans$, Bank Statement, Management Confirmation and CA Certificate*	157.00	100.00		3.87	0.00	3.87		Nil utilization during the quarter	No comments received	No comments received
Total			**630.00**	**400.99**	**114.31**	**112.07**	**0.65**	**112.72**	**1.59**			

#The revision in the cost was due to under-subscription. The same was approved via board resolution dated March 19, 2025.
**Chartered Accountant certificate* from B K G & Associates *dated July 27, 2026.*
$Invoices and Challans for the respective expenses.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (₹ crore)*	Maturity date	Earning	Return on Investment (%)	Market Value at the end of quarter (₹ crore)
1	FDs with Union Bank of India	1.00	29-07-2027	-	6.60	1.00
2	Investment in Mutual Funds@	0.59				0.59
3	Monitoring Account with UBI#	0.00	-	-	-	0.00
TOTAL		**1.59**				**1.59**

**Verified from FD receipts from Union Bank of India, dedicated monitoring account statement of Union Bank of India, Mutual fund holding statement and Chartered Accountant certificate from B K G & Associates dated July 27, 2026.*
@Investment in Mutual funds is in line with the postal ballot and FORM PAS 4.
The balance as per the holding statement stood at ₹0.39 crore as on June 30, 2026 as the company sold units worth ₹0.20 crore on June 30, 2026. However, the same has been credited in the bank account on July 01, 2026 (Subsequent bank receipt attached as Annexure 9). Hence, monitoring agency has considered the same under investment in mutual fund account and stated its balance as ₹0.59 crore as on June 30, 2026. Further, ₹39,48,340 in the mutual funds also includes unrealized gains of ₹48,669.
#The balance as on June 30, 2026 in the monitoring account with UBI stood at ₹86,693.43 of which ₹49,229 belongs to interest which will be transferred in the current account in the subsequent month.

(iv) Delay in implementation of the object(s):

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Execution of Large-scale e-Governance projects	To be utilized within 12 months from the receipt of the funds.	On going	Delay (Exact number of days of delay not ascertainable)*	No comments received	No comments received
Expansion of business		On going	Delay (Exact number of days of delay not ascertainable)*	No comments received	No comments received
Repayment of Unsecured Loans/ Creditors		On going	Delay (Exact number of days of delay not ascertainable)*	No comments received	No comments received
Strategic Investment		On going	Delay (Exact number of days of delay not ascertainable)*	No comments received	No comments received
Working Capital for existing & new projects		On going	Delay (Exact number of days of delay not ascertainable)*	No comments received	No comments received
General Corporate Purpose		On going	Delay (Exact number of days of delay not ascertainable)*	No comments received	No comments received

***** *The company has crossed the initial timelines for utilisation of funds as per the Letter of offer, however the timeline and the amount to be spend had been revised via board resolution dated February 07, 2026 till January* 16, 2027.

The company has received total amount of ₹114.31 crore till June 30, 2026 in multiple transactions. The details of receipt of funds and its utilization are as follows:

Date	Amount (₹ crore)	Completion Date for the tranche as per timeline mentioned in the offer document	Actual Completion date
15-10-2024	9.38	14-10-2025	January 17, 2025
16-10-2024	0.38	15-10-2025	January 17, 2025
16-10-2024	0.09	15-10-2025	January 17, 2025
17-10-2024	9.38	16-10-2025	January 17, 2025
21-10-2024	0.38	20-10-2025	January 17, 2025
24-10-2024	0.19	23-10-2025	January 17, 2025
10-01-2025	0.94	09-01-2026	January 17, 2025
10-01-2025	0.94	09-01-2026	January 17, 2025
10-01-2025	1.87	09-01-2026	January 17, 2025
10-01-2025	1.87	09-01-2026	January 17, 2025
10-01-2025	0.01	09-01-2026	January 17, 2025
10-01-2025	0.01	09-01-2026	January 17, 2025
10-01-2025	0.94	09-01-2026	January 17, 2025
10-01-2025	0.94	09-01-2026	January 17, 2025
13-01-2025	7.59	12-01-2026	January 17, 2025

Date	Amount (₹ crore)	Completion Date for the tranche as per timeline mentioned in the offer document	Actual Completion date
13-01-2025	12.81	12-01-2026	February 18, 2025
14-01-2025	2.87	13-01-2026	February 18, 2025
14-01-2025	5.46	13-01-2026	February 18, 2025
15-01-2025	3.28	14-01-2026	February 18, 2025
15-01-2025	1.88	14-01-2026	February 18, 2025
15-01-2025	9.38	14-01-2026	June 02, 2025
16-01-2025	9.38	15-01-2026	June 02, 2025
16-01-2025	9.38	15-01-2026	June 02, 2025
16-01-2025	5.63	15-01-2026	June 02, 2025
16-01-2025	5.01	15-01-2026	June 02, 2025
16-01-2025	9.38	15-01-2026	June 02, 2025
16-01-2025	5.01	15-01-2026*	₹3.42 crore utilized till June 30, 2026 remaining ₹1.59 crore is ongoing
Total	**114.31**		

**The timeline and the amount to be spent had been revised via board resolution dated February 07, 2026 till January 16, 2027.*

5) **Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:**

Sr. No	Item Head^	Amount in ₹ Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
Nil utilization during the quarter					No comments received

**Chartered Accountant certificate* from B K G & Associates *dated July 27, 2026.*

^ Section from the offer document related to GCP:

"Up to 25% (twenty five percent) of the Issue Proceeds will be utilized for general corporate purposes, which includes, inter alia, meeting ongoing general corporate exigencies and contingencies, expenses of the Company as applicable in such a manner and proportion as may be decided by the Board from time to time, and/or any other general purposes as may be permissible under applicable laws"

Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Limited (hereinafter referred to as **"Monitoring Agency/MA"**). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.

e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.